

**STATE OF VERMONT**  
 Summary Schedule of Prior Audit Findings  
 June 30, 2022

**Findings Relating to the Financial Statements Reported in Accordance with Government Auditing Standards**

Finding Number	ALN	Description	Questioned Costs	Current Status
2019-001 2020-001	N/A	Deficiencies in accounts receivable reporting - Department of Liquor Control	None	In Progress See A-4

**Findings Relating to Federal Awards**

**Agency of Human Services:**

2018-011	93.658	Eligibility	None	In Progress See A-4
2019-008	84.126	Reporting	None	Corrected
2019-010 2020-014 2021-025 2022-037	93.775, 93.777 93.778	Special Tests and Provisions - Provider Health and Safety Standards	None	In Progress See A-4
2019-011 2020-012 2021-022 2022-036	93.775, 93.777 93.778, 93.767	Special Tests and Provisions - Provider Eligibility	None	In Progress See A-6
2020-013 2021-023 2022-035	93.767	Eligibility	None	In Progress See A-8
2021-005	10.551 10.561	Procurement, Suspension and Debarment	None	Complete
2021-006	10.551 10.561	Special Tests and Provisions – EBT Card Security	None	Complete
2021-007	10.551 10.561	Special Tests and Provisions – EBT Reconciliations	None	Complete
2021-008	10.542	Reporting: Schedule of Expenditures of Federal Awards	None	Complete
2021-019	93.323	Reporting	None	In Progress See A-9
2021-020	93.575 93.596	Reporting – FFATA	None	In Progress See A-10

**STATE OF VERMONT**  
Summary Schedule of Prior Audit Findings  
June 30, 2022

2021-021	93.575 93.596	Subrecipient Monitoring	None	Complete
----------	------------------	-------------------------	------	----------

**Findings Relating to Federal Awards (continued)**

Finding Number	ALN	Description	Questioned Costs	Current Status
2021-024	93.767 93.775 96.777 93.778	Special Tests and Provisions – Medical Loss Ratio (MLR)	None	In Progress See A-11
2021-026	93.775 93.777 93.778	Reporting – FFATA	None	In Progress See A-11
2021-027	93.775 93.777 93.778	Special Tests and Provisions – ADP Risk Analysis and Security Review	None	Complete

**Center for Crime Victims Services:**

2019-006	16.575	Subrecipient Monitoring	None	In Progress See A-13
----------	--------	-------------------------	------	-------------------------

**Agency of Education:**

2017-012	10.555	Control and compliance deficiencies related to special test and provisions (food commodities)	None	In Progress See A-14
2018-004	10.559			
2019-004				
2021-017	84.010	Reporting – FFATA	None	In Progress See A-15
2021-018	84.425D	Reporting – FFATA	None	In Progress See A-16

**Department of Labor**

2020-006 2021-012	17.225	Eligibility	None	In Progress See A-17
2020-008	17.225	Reporting: ETA 2112 – UI Financial Transaction Summary	None	In Progress See A-17
2020-009	17.225	Reporting: ETA 191 – Financial Status of UCFE/UXC	None	In Progress See A-17
2020-010 2021-011	17.225	Special Tests and Provisions: UI Reemployment Programs: RESEA	None	In Progress See A-18

**STATE OF VERMONT**  
Summary Schedule of Prior Audit Findings  
June 30, 2022

**Findings Relating to Federal Awards (continued)**

<b>Finding Number</b>	<b>ALN</b>	<b>Description</b>	<b>Questioned Costs</b>	<b>Current Status</b>
2021-010	17.225	Special Tests and Provisions: UI Benefit Payments	None	In Progress See A-19
2021-028	97.050	Reporting	None	In Progress See A-19
<b>Agency of Administration</b>				
2021-013	12.401 21.019	Reporting: Schedule of Expenditures of Federal Awards	None	In Progress See A-21
2021-014	21.019	Activities Allowed or Unallowed	None	Complete
2021-015	21.019	Subrecipient Monitoring	None	Complete
2021-016	21.023	Subrecipient Monitoring	None	Complete

**STATE OF VERMONT**  
Summary Schedule of Prior Audit Findings  
June 30, 2022

**Management Response to Findings Relating to Financial Statements Reported in Accordance with Government Auditing Standards**

**Finding Number – 2019-001, 2020-001 – Accounts Receivable – Department of Liquor Control**

**Management Response:**

In order to correct this finding, the Department of Liquor and Lottery (DLL) has updated its year-end Accounts Receivable reporting procedures to include the use of new query created by Department of Finance & Management (DFM). The new query will help identify accounts receivable payments deposited in the bank prior to the fiscal year end, but not recorded in the accounting system to after year end close. Any payments received that are identified as related to a prior year item ID will be accrued to cash.

**Management Response to Findings Relating to Federal Awards**

**Agency of Human Services**

**Foster Care Title IV-E (ALN 93.658)**

**Finding Number – 2018-011**

**Steps to Correct:**

The enhancement of FOSDB/SSMIS (foster care database) to the system is tentatively scheduled to be completed by 4/1/23 subject to completing resource demands due to the ongoing declared Public Health Emergency in the State of Vermont.

***Scheduled Completion Date of Corrective Plan:***

April 1, 2023

***Contact for Corrective Action Plan:***

Brenda Gooley, DCF-FSD Director of Operations

[brenda.gooley@vermont.gov](mailto:brenda.gooley@vermont.gov)

**Medicaid Cluster (ALN 93.775, 93.777, 93.778)**

**Finding Number – 2019-010, 2020-014, 2021-025, 2022-037**

**Steps to Correct:**

1. License issue: In collaboration with Gainwell (3rd party service provider) it was noted there were a The corrective measures pertaining to DVHA's enhanced oversight of Gainwell's contractual obligation to DVHA to provide licensure validation service and documentation of active licensure will include established benchmarks for the overall improvement of the service, expansion of automated search services, progress reports and overall reduction of manual processes. By 5/1/2023 Gainwell will provide the DVHA Oversight & Monitoring Unit with Progress Reports that will be shared at the Fiscal Agent meeting and with DVHA Leadership to track progress and/or report roadblocks and escalate issues of any actual or potential failures to timely perform provider revalidations.

**STATE OF VERMONT**  
Summary Schedule of Prior Audit Findings  
June 30, 2022

Gainwell will use the Provider Management Module (PMM) and other services available to validate license of a provider. For those providers that cannot be validated through PMM or other services, Gainwell will send a letter notice to those providers. Letter notice must be sent no later than 30 days prior to a license expiration date. Gainwell shall submit to DVHA on a weekly basis a list of providers who have been notified that they are due for re-validation and have not responded within 14 days of license expiration date.

Gainwell will use PMM and other services available to validate license of a provider. For those providers that cannot be validated through PMM or other services, Gainwell will send a letter notice to those providers. Letter notice must be sent no later than 30 days prior to a license expiring.

The written detailed procedure for license updates will be finalized by 04/01/23 between the State and Gainwell and will include the following:

- a. Update the look forward period in the license screening service to 45 days. As a result, PMM will be updated automatically when the license screening service is available to locate an updated license. This configuration update will be in place by 04/01/23.

For those licenses that the screening service is not able to locate an updated license, Gainwell will review and manually check for an updated license. If a new license is found, Gainwell will update accordingly.

Gainwell will explore using Lexis Nexis as an additional service for manual review of license information and provide an update of potential solution by 03/17/23. If determined the Lexis Nexis solution is not viable, Gainwell will propose additional solution options by 05/01/23.

- b. Any provider whose license was not automatically updated as part of the screening service and could not be manually updated through the review process, an expiring license notification will be sent to the Mail-To contact information on file 30 days prior to their license expiration date. The expiring license notifications will be activated in PMM as of 04/01/23. Providers will be notified of this change in process as of 03/01/23 via banner.
- c. Gainwell will provide a weekly report of any providers whose license is set to expire in 14 days. This report will be delivered weekly beginning 04/17/23, two weeks after start date of license notifications. DVHA will work with Gainwell to finalize a process to address those providers listed.

**STATE OF VERMONT**  
Summary Schedule of Prior Audit Findings  
June 30, 2022

- d. Gainwell will activate the termination job within the PMM that will automatically end a provider's contract with VT Medicaid when no license was obtained through the process listed above by the license end date. This termination job will be activated on 06/05/23, two months after starting license notification. Notification to providers of this change in process will be sent no later than 05/01/23, via banner. Prior to the termination job being activated, Gainwell will continue to manually terminate when no updated license information is obtained, unless written exception is received from DVHA. All exception requests will be stored as part of the provider's electronic record within PMM.

By March 1<sup>st</sup>, 2023, Gainwell will provide the following information to DVHA:

The databases, services, and available in state and out of state agencies Gainwell currently uses and plans to use in order to monitor and verify provider licenses and certifications; and

2. As of December 31, 2023, all revalidations will electronically reside in PMM. By December 31, 2023, All paper files, maintained prior to the implementation of the PMM, will be cataloged and sent to secure storage. To ensure all records are available for review, all application data is now being processed through PMM and available on demand. This includes paper application sent in by providers, Gainwell inputs the paper application into PMM.
3. The Letters of Good Tax Standing have been obtained. A standard operating practice is in place documenting the process. The process of validating tax standing in writing from the Tax Department has been in effect since April 2022. Providers who had their tax standing validated prior to April 2022 via phone or email were not solicited to obtain a written notification from the Tax Commissioner. At this time, the State has determined that it is not necessary to obtain a retroactive written notification from the Tax Commissioner for tax standing prior to April 2022. As of April 2022, all tax standing reviews are validated with a letter from the Tax Department and documented in the PMM.

**Scheduled Completion Date of Corrective Action Plan:**

1. January 1, 2024
2. December 31, 2023
3. Completed

**Contacts for Corrective Action Plan:**

Suellen Bottiggi, DVHA Director of Member and Provider Services

[suellen.bottiggi@vermont.gov](mailto:suellen.bottiggi@vermont.gov)

Peter Moino, AHS Director of Internal Audit [peter.moino@vermont.gov](mailto:peter.moino@vermont.gov)

**Medicaid Cluster (ALN 93.775, 93.777, 93.778)**

**Children's Health Insurance (ALN 93.767)**

**Finding Number – 2019-011, 2020-012, 2021-022, 2022-036**

**STATE OF VERMONT**  
Summary Schedule of Prior Audit Findings  
June 30, 2022

**Steps to Correct:**

1. The corrective measures pertaining to DVHA's enhanced oversight of Gainwell's contractual obligation to DVHA to provide licensure validation service and documentation of active licensure will include established benchmarks for the overall improvement of the service, expansion of automated search services, progress reports and overall reduction of manual processes. By 5/1/2023 Gainwell will provide the DVHA Oversight & Monitoring Unit with Progress Reports that will be shared at the Fiscal Agent meeting and with DVHA Leadership to track progress and/or report roadblocks and escalate issues of any actual or potential failures to timely perform provider revalidations.

Gainwell will use the Provider Management Module (PMM) and other services available to validate license of a provider. For those providers that cannot be validated through PMM or other services, Gainwell will send a letter notice to those providers. Letter notice must be sent no later than 30 days prior to a license expiration date. Gainwell shall submit to DVHA on a weekly basis a list of providers who have been notified that they are due for re-validation and have not responded within 14 days of license expiration date.

The written detailed procedure for license updates will be finalized by 04/01/23 between the State and Gainwell and will include the following:

- a. Update the look forward period in the license screening service to 45 days. As a result, PMM will be updated automatically when the license screening service is available to locate an updated license. This configuration update will be in place by 04/01/23.

For those licenses that the screening service is not able to locate an updated license, Gainwell will review and manually check for an updated license. If a new license is found, Gainwell will update accordingly.

Gainwell will explore using Lexis Nexis as an additional service for manual review of license information and provide an update of potential solution by 03/17/23. If determined the Lexis Nexis solution is not viable, Gainwell will propose additional solution options by 05/01/23.

- b. Any provider whose license was not automatically updated as part of the screening service and could not be manually updated through the review process, an expiring license notification will be sent to the Mail-To contact information on file 30 days prior to their license expiration date. The expiring license notifications will be activated in PMM as of 04/01/23. Providers will be notified of this change in process as of 03/01/23 via banner.
- c. Gainwell will provide a weekly report of any providers whose license is set to expire in 14 days. This report will be delivered weekly beginning 04/17/23, two weeks after start date of license notifications. DVHA will work with Gainwell to finalize a process to address those providers listed.
- d. Gainwell will activate the termination job within PMM that will automatically end a provider's contract with VT Medicaid when no license was obtained through the process listed above by the license end date. This termination job will be activated on 06/05/23, two months after starting license notification. Notification to providers of this change in process will be sent no later than

**STATE OF VERMONT**  
Summary Schedule of Prior Audit Findings  
June 30, 2022

05/01/23, via banner. Prior to the termination job being activated, Gainwell will continue to manually terminate when no updated license information is obtained, unless written exception is received from the DVHA. All exception requests will be stored as part of the provider's electronic record within PMM.

By March 1<sup>st</sup>, 2023, Gainwell will provide the following information to DVHA:

The databases, services, and available in state and out of state agencies Gainwell currently uses and plans to use in order to monitor and verify provider licenses and certifications; and

2. To ensure all providers revalidate a minimum of every 5 years, PMM is automatically assigning the revalidation due date. Providers are notified 90 days prior to the due date and again at 45 days, if the provider does not revalidate by the due date, their contract is automatically terminated. At this time, all active providers are assigned a revalidation due date and every provider converted from the old system to PMM has a schedule that will result in revalidation of all legacy providers by December 31, 2023.

Exception: If a provider's revalidation application is returned to them, the provider has until their revalidation due date, or 30 days, whichever is greater, to correct and resubmit their revalidation. Example: Provider's revalidation due date is 12/30/23 and their revalidation application is returned on 12/29/23. The provider will have until 01/29/24 to correct and resubmit.

3. The Letters of Good Tax Standing have been obtained. A standard operating practice is in place documenting the process. The process of validating tax standing in writing from the Tax Department has been in effect since April 2022. Providers who had their tax standing validated prior to April 2022 via phone or email were not solicited to obtain a written notification from the Tax Commissioner. At this time, the State has determined that it is not necessary to obtain a retroactive written notification from the Tax Commissioner for tax standing prior to April 2022. As of April 2022, all tax standing reviews are validated with a letter from the Tax Department and documented in the PMM.

**Scheduled Completion Date of Corrective Action Plan:**

1. January 1, 2024
2. December 31, 2023
3. Completed

**Contacts for Corrective Action Plan:**

Suellen Bottiggi, DVHA Director of Member and Provider Services [suellen.bottiggi@vermont.gov](mailto:suellen.bottiggi@vermont.gov)  
Peter Moino, AHS Director of Internal Audit [peter.moino@vermont.gov](mailto:peter.moino@vermont.gov)

**Medicaid Cluster (ALN 93.775, 93.777, 93.778)  
Children's Health Insurance (ALN 93.767)**

**Finding Number – 2020-013, 2021-023, 2022-035**

**Steps to Correct:**

- One of sixty participants selected for testing turned 19 during the fiscal year.



**STATE OF VERMONT**  
Summary Schedule of Prior Audit Findings  
June 30, 2022

Due to the COVID-19 Public Health Emergency, states did not get authority to move customers from one MEC coverage group to another MEC coverage group until January 2021. The SoV began transitioning eligible age-off's in March 2021. A report was created to capture anyone who had aged off since the start of the PHE. HC eligibility staff worked through the report to determine if customers were eligible to transition to another MEC coverage group. This individual was not captured on the report. They did not get transitioned until April 20, 2022 when the customer called and asked to be screened for Medicaid new adult. This case appears to be an isolated case and has since been corrected.

- For one of sixty participants, eligibility determination exceeded 45 days.

Due to the COVID-19 Public Health Emergency, the SoV was accepting self-attestation for all income and resource verifications until November 1, 2021. In this case, the customer applied via the self-service portal and their MAGI-income verification line item (VLI) was pending. The SoV had reports in place at the time to pull all self-service applications with pending VLI's to manually change them to verified. The SoV ran a report in October 2021 prior to the state resuming verifications for new applications to ensure all pending verification line items were verified and customers were enrolled timely. This appears to be an isolated case.

**Scheduled Completion Date of Corrective Action Plan:**

- Age-off correction: April 20, 2022
- Eligibility determination timeliness: September 15, 2021

**Contacts for Corrective Action Plan:**

Nicole McAllister, DVHA-HAEEU HCAA II  
Sarah York, DVHA-HAEEU HCAA I

[nicole.mcallister@vermont.gov](mailto:nicole.mcallister@vermont.gov)  
[sarah.york@vermont.gov](mailto:sarah.york@vermont.gov)

**Epidemiology and Laboratory Capacity for Infectious Diseases (ELC) (ALN 93.323)**

**Finding Number – 2022-032, 2021-019**

**Steps to Correct:**

**Corrective Action Plan – Program Reporting:**

The Administrative Services Manager and the Public Health Preparedness Coordinator will create a central location for all supporting documentation to be stored and will ensure that the appropriate backup documentation is available for each progress report submitted to the CDC. The State Epidemiologist and PH Preparedness Coordinator will be responsible for ensuring that subject matter experts responsible for providing the information contained in progress reports are aware of the need to save supporting documentation. This supporting documentation will include “point in time” reports from various electronic reporting systems as needed to ensure that data included in progress reports can be validated in the future.

To ensure that progress reports are submitted timely the Public Health Preparedness Coordinator will verify that final copies of all program reports submitted are saved in a central location. The PH Preparedness Coordinator will also ensure that this supporting documentation includes a way to verify the date of report submission to the CDC.

**STATE OF VERMONT**  
Summary Schedule of Prior Audit Findings  
June 30, 2022

**Corrective Action Plan – Financial Reporting:**

The VDH Business Office will ensure that all financial reports are reviewed for accuracy prior to submission. The VDH business office will also continue to ensure that supporting documentation is available for all financial reports submitted, including date/time stamps recording timely submission.

**Scheduled Completion Date:**

2/1/2023

**Contacts for Corrective Action Plan:**

Patsy Kelso, State Epidemiologist, Vermont Department of Health  
Catherine Markesich, PH Preparedness Coordinator, Vermont Department of Health  
Megan Hoke, Financial Director, Vermont Department of Health  
Peter Moino, Director of Internal Audit, Vermont Agency of Human Services

**CCDF Cluster (ALN 93.575, 93.596)**

**Finding Number – 2021-020**

**Steps to Correct:**

Due to the unique nature of the COVID funds, and the urgency required to address the need in the childcare sector, we had created a new process that ended up leading to missed communication. In the future, when and if such a situation were to arise in which we could not go through all the normal grant processes to respond to an emergent need, we will make sure information is provided by program staff to the Business Office Procurement Compliance and EBT Services (PCES) team prior to award issuance. The team is well trained on all state and federal procurement rules and regulations. This will ensure that the agreements follow all established procedures in the future, as the PCES team has demonstrated that when they review agreements, DCF has an excellent record of compliance with FFATA reporting requirements.

Additionally, to address discrepancies in FFATA reporting between FSRS and the State of Vermont's VISION system, IAG will create a comprehensive PowerPoint presentation training tailored to all Departments within the Agency. Further, the Agency's FSRS procedure will be revised to include information on the proper reporting of subaward modifications to comply with FFATA requirements. On an annual basis, IAG will conduct a review of current federal rules and regulations pertaining to FFATA reporting in FSRS to ensure the Agency's procedures are up-to-date. Also on an annual basis, IAG will select a random sample of subawards and subaward modifications that meet the required threshold for FFATA reporting to ensure they are reported in FSRS timely and accurately.

**Scheduled Completion Dates of Corrective Action Plan:**

May 12, 2022: Establishment of contingent grant process to include PCES team prior to grant award issuance.

June 30, 2022: Present PowerPoint training session.

June 30, 2022: Complete AHS FSRS reporting procedure update.

**STATE OF VERMONT**  
Summary Schedule of Prior Audit Findings  
June 30, 2022

December 31, 2022: Complete first annual review of FFATA rules and regulations including subawards sample testing.

**Contacts for Corrective Action Plan:**

Melanie Rutledge, DCF Financial Director I  
Megan Smeaton, DCF Financial Director IV  
Peter Moino, AHS Director of Internal Audit

[melanie.rutledge@vermont.gov](mailto:melanie.rutledge@vermont.gov)  
[megan.smeaton@vermont.gov](mailto:megan.smeaton@vermont.gov)  
[peter.moino@vermont.gov](mailto:peter.moino@vermont.gov)

**Medicaid Cluster (ALN 93.775, 96.777, 93.778)**

**Finding Number – 2022-039, 2021-024**

**Steps to Correct:**

The Agency has submitted the Medical Loss Ratio report for the year ending 12/31/2021 no later than 12/31/2022. The report was delivered on 12/29/2022.

Department of Vermont Health Access (DVHA) and the Agency of Human Services (AHS) have worked together over the past year to define the roles and responsibilities needed to deliver the Medical Loss Ratio (MLR) to AHS by the due date. AHS has agreed to provide Medicaid summaries, and once December enrollment is available, provide capitation rates multiplied by final enrollment for total calendar year expenditures.

Additional to AHS deliverables, DVHA has updated its Standard Operating Procedures (SOP) to reflect the deliverables from AHS, additional detail to support each step in the process, and validation steps for AHS upon completion of the report by DVHA. The steps that have been added to the process allow for a more comprehensive review of the deliverable by both departments which will allow for an on-time delivery in its entirety by the due date of December 31.

**Scheduled Completion Date of Corrective Action Plan:** December 29, 2022

**Contacts for Corrective Action Plan:**

Patrick Rooney, DVHA Financial Director      [patrick.rooney@vermont.gov](mailto:patrick.rooney@vermont.gov)  
Allison Nowak, DVHA Financial Director      [allison.jensen@vermont.gov](mailto:allison.jensen@vermont.gov)  
Tracy O'Connell, AHS-CO Financial Director      [tracy.oconnell@vermont.gov](mailto:tracy.oconnell@vermont.gov)  
Peter Moino, AHS Director of Internal Audit      [peter.moino@vermont.gov](mailto:peter.moino@vermont.gov)

**Medicaid Cluster (ALN 93.775, 96.777, 93.778)**

**Finding Number – 2022-038, 2021-026**

**Steps to Correct:**

Agency of Human Services Internal Audit Group (AHS-IAG) is a designated centralized reporter of subawards for a Medicaid cluster (AL No. 93.775, 93.777, 93.778) that is shared between all AHS



**STATE OF VERMONT**  
Summary Schedule of Prior Audit Findings  
June 30, 2022

**Center for Crime Victims Services**

**Crime Victims Assistance (ALN 16.575)**

**Finding Number – 2019-006**

**Steps to Correct:**

CCVS is in the process of incorporating system enhancements to their grants management system for the start of SFY2024. The new system will include a flag and/or report for grants issued that need to be entered into the SAR report prior to 90 days from the date of the completed grant award.

***Scheduled Completion Date of Corrective Action Plan:***

7/31/2023

***Contact for Corrective Action Plan:***

Carol Brochu, Director of Finance and Administration

[carol.brochu@ccvs.vermont.gov](mailto:carol.brochu@ccvs.vermont.gov)

**STATE OF VERMONT**  
Summary Schedule of Prior Audit Findings  
June 30, 2022

**Agency of Education**

**Child Nutrition Cluster (ALN 10.553, 10.555, 10.556, 10.559)**

**Finding Number – 2019-004, 2018-004, 2017-012**

**Steps to Correct:**

The agency was unable to adhere to its current procedures regarding quarterly WBSCM to TRACS reconciliations and annual warehouse inventory due to COVID-19. As a result of additional work faced by the Child Nutrition Programs team due to COVID-19 emergency operations, the agency was not able to complete a full year of sample quarterly reconciliations for School Year 19-20. Due to changes in school meals operations in Spring 2020, as schools transitioned from hot in-person meals to cold pre-packaged grab-and-go meals, or ceased to operate at all, many schools did not release all of their USDA Foods from the warehouse before the end of School Year 19-20. The state did not pressure schools to release their foods during this time because of numerous other challenges faces by school meals programs. This meant that many cases of food were carried over from 19-20 to 20-21. In addition, due to public health measures, the state agency staff was unable to visit the warehouse in June 2020 to conduct the annual reconciliation. This meant that the state and the warehouse carried over inventories from 19-20 in individual school accounts into school year 20-21. These carried over cases have made the normal quarterly sample reconciliation process unviable for SY 20-21. The state has attempted the process, but because of the carried over inventory, there are more cases shown in TRACS than shown in WBSCM and the accounts cannot be reconciled. As of June 2020, the state agency is pushing schools to take as many of their cases as possible, with the plan of zeroing out the current inventory by June 30, 2021. In early July, the state agency will return to the warehouse in-person to conduct a physical inventory and reconciliation of any remaining cases. This will allow the state to start school year 21-22 with zero balances for all schools, which will make the state agency's procedures viable again. The state will again plan to conduct quarterly sample reconciliations for the full year, as planned in our initial corrective action, before deciding whether there are discrepancies that merit a more intensive reconciliation process.

**Steps to Correct:**

The AOE implemented the following multi-step corrective action plan:

1. AOE staff conducted physical inventory of items remaining in warehouse on July 29, 2021
2. AOE met with warehouse staff on 8/26/21 to discuss new strategies for moving foods out of the warehouse more quickly to avoid any foods remaining at the end of the year. This discussion resulted in the following new strategies:
  - a. Creation of a webform for schools to request unallocated cases for immediate shipment. Since implementation on 9/1/21 this has cleared out several thousand cases in carryover inventory from SY19-20 and 20-21. This worked very well and we will use this strategy again in the future for unallocated cases.
  - b. Established quarterly check-in between USDA Foods staff member and warehouse's customer service rep to evaluate which schools have placed zero orders or few orders, indicating a need for training/follow-up. USDA Foods staff member and warehouse will

**STATE OF VERMONT**  
Summary Schedule of Prior Audit Findings  
June 30, 2022

split proactive technical assistance calls/emails for those needing assistance. First check-in scheduled for October 2021.

- c. Warehouse implementing extended storage fee, as allowed in contract, to discourage long-term storage of foods.
3. Child Nutrition Director provided additional training to USDA Foods Consultant in July and August 2021 on reconciling warehouse reports with WBSCM reporting.

**Scheduled Completion Date of Corrective Action Plan:**

October 31, 2021

**Contact for Corrective Action Plan:**

Rosie Krueger, State Director of Child Nutrition Program

[mary.krueger@vermont.gov](mailto:mary.krueger@vermont.gov)

**Title I Grants to Local Educational Agencies (ALN 84.010)**

**Finding Number – 2021-017**

**Steps to Correct:**

To address the accuracy and timeliness of our entries into the FFATA system, we will use the USASPENDING.GOV website to assist us in reconciling what has been entered into the FFATA system. This will allow us to ensure that our grant ledgers agree with what is entered into FFATA. This will be a reconciliation completed at least quarterly (following SOV fiscal year quarters) and will be completed by the Deputy CFO or position assigned by the Deputy CFO. We will also implement a process that will have all the steps necessary for a grant award or an amendment to ensure it is posted properly within our internal files and the external systems. This will ensure that new awards and amendments get routed and entered in the FFATA system timely. Our finance team also attended a FFATA training on February 3, 2023 for additional training on the FFATA system. We will look into the Batch upload process which was described in that training.

**Position Responsible for Implementation of Corrective Action**

**Name:** Sean Cousino

**Position:** Deputy Chief Financial Officer

**Email:** [sean.cousino@vermont.gov](mailto:sean.cousino@vermont.gov)

**Date of Implementation of Corrective Action:**

First Reconciliation to be completed March/April 2023

Full Implementation June 1, 2023

**STATE OF VERMONT**  
Summary Schedule of Prior Audit Findings  
June 30, 2022

**COVID-19 Governor's Emergency Education Relief Fund (ALN 84.425C, 84.425D, 84.425U)**

**Finding Number – 2022-029, 2021-018**

**Steps to Correct:**

To address the accuracy and timeliness of our entries into the FFATA system, we will use the USASPENDING.GOV website to assist us in reconciling what has been entered into the FFATA system. This will allow us to ensure that our grant ledgers agree with what is entered into FFATA. This will be a reconciliation completed at least quarterly (following SOV fiscal year quarters) and will be completed by the Deputy CFO or position assigned by the Deputy CFO. We will also implement a process that will have all the steps necessary for a grant award or an amendment to ensure it is posted properly within our internal files and the external systems. This will ensure that new awards and amendments get routed and entered in the FFATA system timely. Our finance team also attended a FFATA training on February 3, 2023 for additional training on the FFATA system. We will look into the Batch upload process which was described in that training.

**Position Responsible for Implementation of Corrective Action**

**Name:** Sean Cousino

**Position:** Deputy Chief Financial Officer

**Email:** [sean.cousino@vermont.gov](mailto:sean.cousino@vermont.gov)

**Phone Number:** 802 595-3693

**Date of Implementation of Corrective Action:**

First Reconciliation to be completed March/April 2023

Full Implementation June 1, 2023



**STATE OF VERMONT**  
Summary Schedule of Prior Audit Findings  
June 30, 2022

**Vermont Department of Labor**

**Unemployment Insurance (ALN 17.225)**

**Finding Number – 2020-06**

**Steps to Correct:**

The Department was aware that it was unable to implement the documentation requirement for the PUA program as required by the amendments to the CARES Act.

The Department had every intention of going back and retroactively reviewing PUA claims for documentation and requiring submission for those claims that lacked adequate documentation retroactively.

The Department has begun this work in early 2022 and will continue this review for PUA program eligibility for as long as USDOL provides the funding to do so until the Department has reviewed all PUA claims filed

**Scheduled Completion Date of Corrective Action Plan:**

June 30, 2023, as long as adequate program funding is provided.

**Contact for Corrective Action Plan:**

Cameron Wood, UI Director

[Cameron.Wood@vermont.gov](mailto:Cameron.Wood@vermont.gov)

**Unemployment Insurance (ALN 17.225)**

**Finding Number – 2020-08**

**Steps to Correct:**

VDOL has caught up with the submission of these reports. At the conclusion of the Department's pandemic response, the Department will look to ensure that the Cashier's Office remains adequately staffed, assuming funding is sufficient, and will cross train staff in the event of a reduction in force.

**Scheduled Completion Date of Corrective Action Plan:**

December 31, 2023

**Contact for Corrective Action Plan:**

Cameron Wood, UI Director

[Cameron.Wood@vermont.gov](mailto:Cameron.Wood@vermont.gov)

**Unemployment Insurance (ALN 17.225)**

**Finding Number – 2020-09**

**Steps to Correct:**

**STATE OF VERMONT**  
Summary Schedule of Prior Audit Findings  
June 30, 2022

The Department continues to work through the backlog of work created during the COVID-19 pandemic. To date, the Department has onboarded a finance manager for the UI program and has filled all vacant positions in our cashiers office.

As long as the Department remains fully staffed, the Department expects to become current with all outstanding reports due to the USDOL by the end of this calendar year.

Moving forward, as long as the Department is able to maintain the necessary staffing levels, the Department expects to remain current with our reporting requirements as well as providing the necessary approval for each USDOL required report.

It should be noted that the State of Vermont is not provided with an adequate level of administrative funding by Congress and the USDOL. Therefore, the Department does not have the resources to ensure cross training and backfilling of all required aspects of a UI Program. Without adequate administrative funding, the Department must maintain bare minimum number of staff in respective programs areas. In some cases, such as the cashiers unit, this equates to one or two staff members to meet basic functions. In the event the Department experiences a significant increase in workload or a prolonged period of staff vacancy, the Department will continue to find itself in the position of being unable to meet all performance or timeliness expectations of the UI system.

**Scheduled Completion Date of Corrective Action Plan:**  
December 31, 2023

**Contact for Corrective Action Plan:**  
Cameron Wood, UI Director

[Cameron.Wood@vermont.gov](mailto:Cameron.Wood@vermont.gov)

**Unemployment Insurance (ALN 17.225)**

**Finding Number – 2022-015, 2021-011, 2020-010**

**Steps to Correct:**

This finding was also found during the past two fiscal year's Single Audit and is a carryover issue stemming from the same underlying problem. The RESEA Program has been in a state on ongoing transition coming out of the COVID-19 pandemic as the Department needed to close the Program for a significant period during the pandemic and then subsequently transitioned to more of a virtual / flex program in calendar year 2021 and 2022.

The Department has taken additional steps to try and correct this finding. For example, the Department instituted a mandatory check list for staff to complete as cases are closed. This was developed and provided to staff in June 2022.

The RESEA supervisor continues to conduct random sampling on casefiles for accuracy reviews and will continue to provide ongoing supervisor feedback and staff training.

**STATE OF VERMONT**  
Summary Schedule of Prior Audit Findings  
June 30, 2022

**Scheduled Completion Date of Corrective Action Plan:**  
June 30 , 2023

**Contacts for Corrective Action Plan:**  
Cameron Wood, UI Director  
[Cameron.Wood@vermont.gov](mailto:Cameron.Wood@vermont.gov)

**Unemployment Insurance (ALN 17.225)**

**Finding Number – 2022-014, 2021-010**

**Steps to Correct:**

This finding identifies that the Department is not meeting the federal performance expectation for timely closure of BAM Paid Claims. The primary reason behind this performance deficiency is due to the limited federal administrative dollars provided to fund the administration of the UI Program. Because of the limited funds, the Department is forced to operate a minimal staffing level, which leads to the inability to ensure all work is conducted timely.

Separately, this finding identifies that the Department did not provide signature signoff on two BAM casefiles pulled for review. The Department did maintain proper supervisor signoff in the USDOL SUN System where cases are formally managed. However, the Department was not able to produce the supervisor's signoff on the paper copy maintained for audit purposes.

The Department maintains an ongoing corrective action plan with the USDOL through the State Quality Service Plan (SQSP) for the performance of the BAM unit, including the timeliness of BAM case closure.

For the supervisory review and documented signoff, the BAM Unit has created a new standard procedure to ensure that cases have the needed documentation. This standard procedure was shared with the staff via a unit meeting / training on February 28, 2023.

**Scheduled Completion Date of Corrective Action Plan:**  
Complete

**Contacts for Corrective Action Plan:**  
Cameron Wood, UI Director  
[Cameron.Wood@vermont.gov](mailto:Cameron.Wood@vermont.gov)

**U.S. Department of Homeland Security, Federal Emergency Management Agency (ALN 97.050)**

**Finding Number – 2021-028**

**Steps to Correct:**

The Department continues to work through the backlog of work created during the COVID-19 pandemic. To date, the Department has onboarded a finance manager for the UI program and has filled all vacant positions in our cashier's office.

**STATE OF VERMONT**  
Summary Schedule of Prior Audit Findings  
June 30, 2022

As long as the Department remains fully staffed, the Department expects to become current with all outstanding reports due for each respective pandemic program by the end of this calendar year.

Moving forward, as long as the Department is able to maintain the necessary staffing levels, the Department expects to remain current with our reporting requirements as well as providing the necessary approval for each federally required report.

It should be noted that the State of Vermont is not provided with an adequate level of administrative funding by Congress and the USDOL. Therefore, the Department does not have the resources to ensure cross training and backfilling of all required aspects of a UI Program. Without adequate administrative funding, the Department must maintain bare minimum number of staff in respective programs areas. In some cases, such as the cashiers unit, this equates to one or two staff members to meet basic functions. In the event the Department experiences a significant increase in workload or a prolonged period of staff vacancy, the Department will continue to find itself in the position of being unable to meet all performance or timeliness expectations of the UI system.

**Scheduled Completion Date of Corrective Action Plan:**

December 31, 2023

**Contacts for Corrective Action Plan:**

Cameron Wood, UI Director

[Cameron.Wood@vermont.gov](mailto:Cameron.Wood@vermont.gov)

**STATE OF VERMONT**  
Summary Schedule of Prior Audit Findings  
June 30, 2022

**Agency of Administration**

**CRF, ERA, SLFRF (ALN 21.019, 21.023, 21.027)**

**Finding Number – 2022-018, 2021-013**

**Steps to Correct:**

The Agency has recognized the need to improve our SEFA compilation process and has begun using a quarterly reconciliation process with all agencies and departments. We are currently reconciling data from VISION to the data submitted to the U.S. Treasury for ARPA-SLFRF Quarterly Reporting.

We are using this new quarterly reconciliation process as a starting point to check Subrecipient expenditures against total expenditures, as well as reviewing Grant Accounts and reviewing Class Codes.

We are checking all of our programs and looking at Beneficiaries vs. Subrecipients to ensure we are categorizing correctly at the macro level.

There will be an enhanced collaboration internal to the Agency between the Department of Finance & Management and the Financial Services Division that will occur after agencies and departments submit their ACFR-9s used in the SEFA consolidation process to provide greater review and oversight.

**Scheduled Completion Date of Corrective Action Plan:**

Completed: February, 2023: Quarterly Reconciliation Process (VISION to Treasury)

Expected: June, 2023: Subrecipient vs. Beneficiary classification review

Expected: September, 2023: Collaboration between DFM and FSD for SEFA preparation

**Contacts for Corrective Action Plan:**

Doug Farnham  
Deputy Secretary, Agency of Administration  
[Douglas.Farnham@vermont.gov](mailto:Douglas.Farnham@vermont.gov)  
(802) 585-8119

Holly S. Anderson  
Chief Financial Officer, Agency of Administration – Financial Services Division  
[Holly.S.Anderson@vermont.gov](mailto:Holly.S.Anderson@vermont.gov)  
(802) 505-1177

Jordan Black-Deegan  
Statewide Grants Administrator, Department of Finance and Management, Agency of Administration  
[Jordan.Black-Deegan@vermont.gov](mailto:Jordan.Black-Deegan@vermont.gov)  
(802) 828-3201